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C O N F I D E N T I A L SECTION 01 OF 04 NEW DELHI 002109

SIPDIS

E.O. 12958: DECL: 07/10/2018

TAGS: PGOV PREL PHUM PTER KDEM PK IN

SUBJECT: OPTIMISM REPLACE BY TENSION IN KASHMIR, BUT
SITUATION NOT "OUT OF CONTROL" ON LINE OF CONTROL

REF: A. A) NEW DELHI 1799 BOARD WITHDRAWS LAND CLAIM
PROTESTS SUBSIDE
¶B. B) NEW DELHI 1674 DELICATELY POISED AHEAD OF
PROMISING TOURIST SEASON
¶C. C) NEW DELHI 1644 HIGH TURNOUT EXPECTED IN
OCTOBER ELECTIONS

Classified By: Political Minister Counselor Ted Osius for Reasons 1.4 (B and D)

Ref A Board withdraws land claim, protests subside
Ref B Delicately poised ahead of promising tourist season
and state elections
Ref C High turnout expected in October elections

¶1. Summary: (SBU) "Tension" is the new byword in Kashmir, replacing the optimism that seemed to be cautiously growing prior to the June outbreak of rioting related to the transfer of land to the Shri Amarnath Shrine Board. An ongoing "bandh" (work stoppage) has been in place in Hindu-dominated Jammu for the last month. Law enforcement officials, politicians, separatist leaders, NGOs, and businessmen all reported concern during July 24-25 conversations about the likelihood of increased attacks and heightened rhetoric in the wake of the land transfer disputes and in the lead up to state elections in October. Interlocutors also cited increased meddling from Pakistan. Moderate separatists appear to have completely given up their own track, and have moved under the umbrella of extremist Hurriyat leader Ali Shah Geelani. Hotels and other sources reported cancellations and drastically lower tourist arrivals as a result of the protests and rioting that began in late June.

¶2. (SBU) On the more positive side, law enforcement and intelligence officials did not express heightened concern about the number of infiltrators over the Line of Control and the international border. Our Ministry of Defense contacts in Delhi also claim that the level of cross-border activity is not at unusual levels for this time of year, even as the press trumpets ongoing Line of Control violations are escalating. Nevertheless, all of our interlocutors in Kashmir are convinced that Pakistan's Interservices Intelligence (ISI) and at least some elements of the Pakistani military continue to support the extremists and militants. They see no hope that the Pakistani civilian government will be able or willing to change that status quo. End Summary.

From Optimism to Tension

¶3. (SBU) Pol FSN and Pol/CToff found the situation in Kashmir has shifted drastically from the optimism encountered in a May 14 - 17 visit (Refs B and C). In May, poloffs observed a strong economic situation with growing tourism, and broader support for the upcoming state elections that pointed to a

record voter turnout. The current situation, in contrast, is downbeat, with every single interlocutor pointing to indicators of further unrest and a hardening of positions between the government, the established political parties, and the separatists.

Valley Unrest Sparked by Land Transfer for indu Pilgrimage

¶4. (U)The ongoing unrest sparked by the transfer of land to the Shri Amarnath Shrine Board (Ref A) appears to be the straw that broke the previous sense of calm in Jammu and Kashmir. Hindu pilgrims have been traveling annually for decades to the Amarnath cave shrine, to worship an ice phallus that forms every spring as the snows melt. The number of pilgrims to the Muslim-dominated area has increased drastically over the past ten years, and now totals several tens of thousands. After hundreds of pilgrims died in a storm during the 1996 pilgrimage, state government officials erected temporary lodging facilities in an area designated as forest land near the pilgrimage route. Approximately three years ago, the then Governor of the state extended the pilgrimage period from one month to two, in a move that caused some tension in the Muslim community, according to a law enforcement official. In late May of this year, the state government formalized the assignment of the accommodation site to the Shrine Board, which most involved saw as merely formalizing an agreement that had existed for years.

¶5. (C) Our contacts in Srinigar related, however, that at

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least one political party, the Jammu and Kashmir People's Democratic Party (PDP), saw the transfer as an opportunity to make political points, even though they were part of the state ruling coalition that had approved the land transfer. Protesters, supported also by separatist groups such as the All Parties Hurriyat Conference, soon came out in force. The protests shut down Muslim-majority Srinagar for at least a week in late June, and spread to other communities, as well. Two protesters were killed by security personnel on June 25, and at least seventy were injured.

¶6. (SBU) The state coalition government fell when the PDP withdrew on June 28. The government technically moved to a caretaker status under "home control" and, under the federal government's instruction, the disputed land was moved out of the Shrine Board's jurisdiction and back to being directly under the control of the state government's control.

Followed by Protests against the Decision's Reversal in Hindu-dominated Jammu

¶7. (SBU) Things appeared calm for a few days, until strikes emerged in Hindu-designated Jammu in protest of the land being "taken away," and demanding that the land be restored the Shrine Board. The move which mollified the Muslim population has ignited the Hindu population in the state's other major city, which has long resented what it sees as the domination of Muslim-dominated Srinagar. The "bandh" and curfew have now lasted nearly a month. As the president of the Pannun Kashmir, a migrant Kashmiri Hindu organization, said to us in a July 31 phone conversation, "If the valley Muslims cannot tolerate even temporary land transfer for temporary structures for the Hindu pilgrims, how can they show toleration on the big issues?"

Moderates Move toward Extremists -- "Moderation Has Failed Us"

8.(SBU) The shift in the mood of the "moderate" separatists to complete dejection was the most striking element of our July 24-25 visit. Person after person from all backgrounds

told us, "The moderates have surrendered to the hardliners." Interlocutors who would generally be considered moderates claimed that "nothing has happened" since they agreed to talks with the Indian government, and lamented that they have been discredited with their supporters. Both business and government contacts complained that Mirwaiz Omar Farooq, the head of Srinagar's largest mosque and a prominent moderate separatist, appeared to have completely abrogated his position to extremist Hurriyat leader Geelani. The few moderates who are left, we were told, are being squeezed between the government and the extremists.

¶9. (U) The unrest over what was actually a minor issue -- the land transfer -- escalated so quickly, we were told, because of frustration that there has been no progress on the peace process. There is growing anger about the feeling "we aren't going anywhere."

Attacks, Infiltration and Line of Control Incidents

¶10. (SBU) There were at least three bomb and grenade attacks in Srinagar from July 14 - 25, after a two-year lull. Law enforcement officials were concerned about the attacks, but not surprised, and they had expected an increase in unrest in the runup to federal Independence Day celebrations on August 15 and the state elections that will be held in October. National Conference MP Omar Abdullah noted that, so far, the attacks have not been directed toward political leaders, which indicates that the population still supports the political process. (There was speculation that the attacks were targeted at "guest workers" from Bihar and other parts of India.)

11.(SBU) As the weather has warmed up, there have been more infiltrations across the Line of Control and the international border, but at least some law enforcement officials said they had not seen more activity by the infiltrators. Many contacts cautioned against making comparisons with last year, as the number of Line of Control (LoC) incidents in 2007 was abnormally low. In separate conversations in Delhi, terrorism experts and Ministry of Defense officials have observed that they do not see an

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unusual increase in activity across the Line of Control. Press accounts, which have sensationalized covered the death of one Indian soldier in an encounter with the Pakistani Army (and the subsequent reported counterfire), have nevertheless focused on several LoC exchanges, and give the impression that numbers are up.

Role of Pakistan always at the Forefront

¶12. (C) "The ISI is the mother of all evils," said one law enforcement official. There has been no recent increase (but also no decrease) in the amount of money the ISI is funneling to the militants. However, there is the feeling that most attacks are being carried out by "guest militants," and that Lakshar-e-Taiba and Hizbul Mujahiddin can no longer induce Kashmiris to fight with them.

¶13. (SBU) Several contacts regretted that the Indian government missed the opportunity when Musharraf was in power to come to an agreement with Pakistan on Kashmir. For any long term settlement to work, both sides have to be able to report back to their constituencies that they "haven't lost anything." The 1994 unanimous resolution in the Indian Parliament that India should annex the part of Kashmir now occupied by Pakistan is another hurdle that would be nearly impossible to get around. Several contacts also noted that Indian Prime Minister Singh is now weakened, in the wake of the recent government crisis, and he will be unable to take a bold step on Kashmir.

14.(C) There is widespread belief on all fronts, from government officials to those who are fighting for an independent Kashmir, that a Pakistani civilian government will not be able to deliver. The Inspector General of Police noted that, under the weakened civilian government, those in the ISI and the Pakistani Army who actively support the militants do not even have to hide their support. He related that the Indians have an intercept of a phone conversation between the head of ISI and Hurriyat leader Geelani in which he urges the group to cause as many problems as possible in the lead up to the elections. Law enforcement officials also claim that the Pakistanis have told the moderates they must consolidate under one leader. Previously, Pakistani operatives funded a number of separatist or pro-Pakistani groups, but funds are now being channeled through a single source, thus concentrating the various groups and moving them all more toward a more extremist stance.

Upcoming Elections: Now Predicting a Weak Turnout

¶15. (U) In contrast to the outlook in May, prospects for full participation in the upcoming state elections look bleak. The most optimistic contacts predicted a 50 percent turnout, which will be about equivalent to the turnout in 2002. Political rallies and organization related to the upcoming elections had been going well, but the July 13 government crackdown on leaders' statements and gatherings had stopped that progress in its tracks.

Differing Views on the U.S. and the Nuclear Deal

¶16. (SBU) Even the moderate separatists in Kashmir view the prospect of the U.S.-India Civil Nuclear Agreement with trepidation. They fear that the United States will be less likely to push India on human rights issues in Kashmir if the relationship is closer. Those with stronger views related there is the perception among Kashmiri Muslims that, as the relationship between India and the U.S. improves, the situation for Muslims declines, because the U.S. is seen as being "anti-Islam." On the other hand, contacts who are more accepting of Kashmir's place within India speculated that the more influence the United States has on the Indian government, the better for Kashmir.

¶17. (SBU) Comment: It is hard to identify a positive event that could shift the pre-election mood in Kashmir back to optimism. The clear indications that the moderates are shifting to support more extreme positions is particularly worrying. Although most observers had expected increased attacks leading up to the elections, the extra layer of the protests over the land transfer (and re-transfer) have hardened positions on all sides, including those of the security forces both within Jammu and Kashmir and along the

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border, who not surprisingly appear to be more skittish and perhaps trigger happy as the tension increases. End Comment.

¶18. (C) This message is based on conversations with a number of observers, including:

Yasin Malik, Chairman, Jammu and Kashmir Liberation Front.
Parvez Imroze, Association of Parents of Disappeared Persons and President, J and K Coalition of Civil Society
Khurram Parvez, Program Coordinator, J and K Coalition of Civil Society
Bilal Lone, Executive Member, All Party Hurriyat Conference (moderate separatist)
Dr. SP Vaid, Inspector General of Police, Crime
Ashfaq Trumboo, Businessman
Omar Abdullah, President, National Conference
Mufti Mohammad Sayeed, Former Chief Minister and patron, Peoples Democratic Party (PDP)
Dilbagh Singh, Inspector General of Police, CID

Kuldeep Khoda, Director General of Police

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